Department of Veterans Affairs

Memorandum

Date: MAR 8 1994

From Deputy Assistant Secretary for Acquisition and Materiel Management (95A)

Class Deviation from Veterans Affairs Acquisition Regulation

Deputy Secretary (001)

THRU: Acting Assistant Secretary for Acquisition and Facilities (005)

1. In accordance with the Veterans Affairs Acquisition Regulation (VAAR) 801.404, Class deviations, your approval is requested to deviate from VAAR 801.602-70(b)(1) and (b)(2), Legal/technical review requirements to be met prior to contract execution.

- 2. This deviation is requested to expedite contract modifications by deviating from the review requirements contained in VAAR 801.602-70(b)(1) and (b)(2). Specifically, this deviation seeks to increase the dollar threshold from \$25,000 and \$50,000 to \$100,000 for submission of contract modifications by field facilities and the Office of Construction Management, and increase the threshold from 20 days to 60 days for submission of contract modifications granting a time extension.
- 3. The Office of Acquisition and Materiel Management determined that there were improvements in the quality of contract modifications and time extensions during Fiscal Year 1993. The Office of the General Counsel (OGC) concurs in increasing the dollar threshold contained in VAAR 801.602-70(b)(1) to \$100,000 and the number of days contained in 801.602-70(b)(2) to 60 days, subject to the provision that the language specified at paragraph 843.204(a) be expanded to state that Contractor's Statement of Release recommended at Federal Acquisition Regulation 43.204(c)(2) shall state that the consideration represents a complete equitable adjustment for all costs, direct and indirect, associated with the work and time agreed to herein, including but not limited to, all costs incurred for extended overhead, supervision, disruption or suspension of work, labor inefficiencies, and this change's impact on unchanged work. However, if the contractor takes exception to the accord and satisfaction language specified above, proposed contract modifications must be submitted to the OGC for review prior to execution.
- 4. Additionally, field contracting officers shall provide a copy of all executed contract modifications between \$25,000 and \$100,000 and time extensions between 20 days and 60 days to the Office of Acquisition and Materiel Management (95B) for review and forwarding to the OGC. The Office of Construction Management shall submit all executed contract modifications between \$50,000 and \$100,000 and time extensions between 20 days and 60 days directly to the OGC.
- 5. If approved, this class deviation will allow VA contracting officers to execute contract modifications and time extensions in a more timely manner. A change to VAAR 801:602-70(b) and addition of VAAR 843.204(a) to include expanded language is forthcoming.

Deputy Secretary (001)

THRU: Acting Assistant Secretary for Acquisition and Facilities (005)

6. Your favorable consideration of this request will be appreciated.

APPROVED/DISAPPROVED

Hershel W. Gober Deputy Secretary

8 1994

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Date